

FORM MR-TRS
Revised December 9, 2007
TRANSFER INTENT FORM

Incoming
0003-Bond File Confidential

0009-Public File

Mine Name: 16161

New Permit Number: _____

Date Issued: _____

Other Agency File Number: _____
(DIVISION USE ONLY)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

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APPLICATION FOR TRANSFER
OF
NOTICE OF INTENTION
(FORM MR-TRS)

RECEIVED

DEC 09 2003

DIV. OF OIL, GAS & MINING

This Application For Transfer of Notice of Intention (Application) is submitted by, (Transferor) U.S. Energy Corp who is the current operator of Notice of Intention to Conduct Mining Operations (NOI), permit number (NOI File Number); M320040 and by, (Transferee) _____ who is requesting approval of the Division to assume the obligations of Transferor and to be Operator of the NOI. The Notice of Intention, Transferor, and Transferee governed by this Application are more fully identified on the attached Fact Sheet.

1. Operator agrees to transfer the rights and obligations to operate under the terms of the NOI to the Transferee, The Transferor does not intend to retain any rights to conduct mining operations within the area covered by the NOI, unless provision, 2a. is initialed.
2. The Transferor is assigning a portion of the lands associated with the NOI, and therefore subject to adherence to the additional conditions:
 - a. Initials: _____ Transferor hereby indicates that he/she intends to retain the right to conduct mining operations on a portion of the lands included in the NOI;
 - b. The Division must determine that the retained lands can be mined and reclaimed independently of the lands identified to be transferred by this Application.

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- c. The lands that Transferor intends to retain and access to the lands will be clearly identified by amending the NOI and associated maps prior to Division approval of this transfer.
 - d. Both Transferor and Transferee understand that in addition to the requirements of the Transferee, the Transferor must modify or replace the NOI, and have a Division approved surety and reclamation contract before the Transfer receives Division approval.
3. Transferee and Transferor understand the transfer of the ***NOI is not complete until all the applicable requirements are met***, including the Transferee submittal and Division approval of the amended NOI, reclamation surety and reclamation contract.
4. Initials of Transferee: J Transferee has read and has a copy of the current NOI and mining and reclamation plan.
5. Transferee shall conduct mining operations on lands included in the NOI in accordance with the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act"), the regulations adopted pursuant to the Act, and the Mining and Reclamation Plan (if any) and other conditions of the NOI as currently approved.
6. The Transferee shall provide a surety in a form and amount approved by the Division or the Board of Oil, Gas and Mining (Board) to assure reclamation of the lands affected by the mining operations.
7. Transferee assumes full responsibility to inspect the proposed site and mining operations and to be fully knowledgeable of all existing conditions. The Transferee is responsible for compliance with the conditions of the permit and the obligations regardless of the nature of the conditions at the site, the nature of the operations, and any lack of knowledge of any latent or apparent conditions.
8. Transferor continues to be liable for compliance with all of its obligations under the current NOI until (a) the Transferee replaces or modifies the NOI as required and determined complete by the Division; (b) the Transferee executes a reclamation contract in the form provided by the Division agreeing to complete the work as set out in the NOI, the Act, and the regulations; and (c) the Transferee submits an acceptable surety and the surety is approved by the Division or the Board as required.
9. After all of these conditions of provision 8 have been satisfied the transfer will be approved by the Division and the Transferee will be the Operator for the NOI.

The signatory below represents that he/she has authority to execute the same and that the Operator/Transferor, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah. I have read the application and fully know the contents thereof; that all statements contained in the application are true to the best of my knowledge and belief.

OPERATOR:

U.S. Energy Corp.
Operator/Transferor Name

By Keith G. Larsen Keith G. Larsen
Authorized Officer (Typed or Printed)

CEO
Authorized Officer - Position

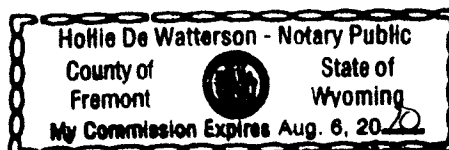
Keith G. Larsen 1-22-08
Officer's Signature Date

STATE OF Wyoming)
COUNTY OF Fremont) ss:

On the 22nd day of January, 2008, Keith G. Larsen personally appeared before me, who being by me duly sworn did say that he/she is an officer (owner, officer, director, partner, agent or other (specify)) of the Operator U.S. Energy and duly acknowledged that said instrument was signed on behalf of said Operator by authority of its bylaws, a resolution of its board of directors or as may otherwise be required to execute the same with full authority and to be bound hereby.

Hollie De Watterson
Notary Public
Residing at Riverton, Fremont County, Wyoming

August 6, 2010
My Commission Expires:



The signatory below represents that he/she has authority to execute the same and that the Operator/Transferee, if not a natural person, is a properly organized entity in good standing under the laws of Utah and the United States, is registered as an entity authorized to do business in the State of Utah. I have read the application and fully know the contents thereof; that all statements contained in the application are true to the best of my knowledge and belief.

OPERATOR:

Utahman One Exploration, Inc.
Operator/Transferee Name

By John S. Slay
Authorized Officer (Typed or Printed)

President
Authorized Officer - Position

[Signature] November 25, 2008
Officer's Signature Date

Prothon
STATE OF Bethlehem
City) ss:
COUNTY OF Utahman)

On the 25th day of November, 20 08, John S. Slay
personally appeared before me, who being by me duly sworn did say that he/she
is an officer (owner, officer, director, partner, agent or other
(specify)) of the Operator Utahman One Exploration, Inc. and duly
acknowledged that said instrument was signed on behalf of said Operator by
authority of its bylaws, a resolution of its board of directors or as may otherwise
be required to execute the same with full authority and to be bound hereby.

[Signature]
Notary Public
Residing at Utahman, Bethlehem, Canada

My Commission Expires: n/a

**FORM MR-TRS
FACT SHEET 1**

(This page to be completed by Transferor/current operator)

General Information:

Existing Notice of Intention Number: M370040 (Division issued)

Mine Name: Velvet

Lands to be transferred as shown in the NOI and any revisions/amendments: 22 ACRES

Surface Owner: BLM

Mineral Owner: BLM. (unpatented claims)

UTU and/or ML number: _____ (if surface or mineral is BLM/SITLA)

Transferor Information (Current Operator):

Operator Name: U.S. Energy Corp

Operator mailing address: 577 N. 8th West, Riverton, WY 82501

Operator telephone: (307) 856-9271

Operator email: fred@usnr.com

Operator fax: (307) 857-3050

Contact person name: Fred C. H.

Contact person title: V.P. Eng.

Contact person telephone: (307) 856-9271

Contact person email address: fred@usnr.com

Transferee: Please initial page 2, Provision 4

**FORM MR-TRS
FACT SHEET 2**

(This page to be completed by Transferee/new operator)

General Information:

Notice of Intention Permit Number: MO370040 (Division issued)

Lands to be transferred: 22 acres ACRES

Transferee Information:

Successor Operator Name: Uranium One Exploration, Inc.

Successor Operator mailing address: 11850 South Highway 191, Suite A-5
Moab, Utah 84533

Successor Operator telephone: (435) 259-2443

Successor Operator email: (970) 231-1160

Successor Operator faxes: (970) 223-7171

Contact person name: Toby Wright

Contact person title: Environmental Manager

Contact person telephone: (970) 231-1160

Contact person email address: toby.wright@uranium1.com

Tax ID or Social Security (TAX ID required unless individual): [REDACTED]

For Division Use Only

| | |
|--------------------------------------|-------|
| Existing Surety Amount Transferor: | _____ |
| New Surety Amount Transferee: | _____ |
| Transfer Acres: | _____ |
| Partial Transfer: yes _____ no _____ | |